



STONE RESOURCES AUSTRALIA LIMITED

31st March 2012

MARCH QUARTER ACTIVITIES REPORT

Quarterly Highlights

- Toll Treatment operations of NEX ore commenced
- Completion of Mill draft tubes refurbishment
- Commencement of Exploration Programme in Northern Tenements
- Commencement of MMI programme over selected tenements
- 203 ounces of fine gold recovered from remnant ore and CIL tanks for
\$330k Revenue
- An underground scoping study was undertaken for the Alpha open pit

Overview of operations

The Brightstar gold plant was under maintenance for the first part of the quarter to refurbish the draft tubes in readiness for the toll treatment of ore from NEX.

Toll treatment of NEX ore commenced on 21st February 2012

Gold produced totaling 203 ounces resulted from remnant ore processed and clean out of the CIL tanks

Exploration

During the last month of the quarter exploration drilling commenced on the northern tenements as part of the 100,000 metres of exploration programme,

By the end of the quarter 620 metres had been drilled at Cork Tree Well (Delta Resource). A second rig is due to be commencing drilling after April .

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Project Development and Exploration

Tenements

An exploration programme (with more than 100,000 metres) is currently underway and progressing according to budget and plan

An underground scoping study was commissioned for potential ore at the Alpha pit. This report is currently under consideration by the board

Clarification of a Previous Announcement

Stone Resources Australia Limited would like to clarify the resource components of the recent announcement on the exploration programme update. (April 16 2012) The breakdown of the resources categories was not provided and is provided below:

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Cork Tree Well

Ben Hur

HGS Resource March 2011				HGS Resource March 2011			
	kTonnes	Grade	kOunces		kTonnes	Grade	kOunces
Measured	975	1.34	42.0	Measured	-	-	-
Indicated	513	1.23	20.3	Indicated	3,435	1.32	145.8
Inferred	3,435	1.41	155.7	Inferred	3,212	1.38	142.5
Total	4,923	1.38	218.0	Total	6,647	1.35	288.3

Corporate

Stone Resources Limited continued to fund Stone Resources Australia Limited for ongoing exploration and operational requirements

For further information, please see other ASX announcements or email the CEO Kaiyes@a1minerals.com.au or Company Secretary Albert Longo on Albertl@a1minerals.com.au

Yours sincerely,

Mr Kaiye Shuai

Chief Executive Officer – Stone Resources Australia Limited

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew James Hawker, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hawker has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (The JORC Code, 2004 Edition). Mr. Hawker is the Principal Geologist of Hawker Geological Services Pty Ltd and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

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